

**AGENDA**



**Recommendation for Council Action (Purchasing)**

<b>Austin City Council</b>	<b>Item ID:</b>	11118	<b>Agenda Number</b>	54.
<b>Meeting Date:</b>	December 8, 2011			
<b>Department:</b>	Purchasing			
<b>Subject</b>				
<p>Authorize award, negotiation and execution of a 24-month service contract with NAES CORP., Houston, TX, and THIELSCH ENGINEERING INC., Del Valle, TX, for maintenance and repair services for Austin Energy's power plants and district cooling plants in an estimated amount not to exceed \$5,400,000 each and combined, with two 24-month extensions options in an estimated amount not to exceed \$5,400,000 each and combined per extension option, for a total estimated contract amount not to exceed \$16,200,000 each and combined.</p>				
<b>Amount and Source of Funding</b>				
<p>Funding in the amount of \$2,025,000 is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy. Funding for the remaining 15 months of the initial contract period and extension options is contingent upon available funding in future budgets.</p>				
<b>Fiscal Note</b>				
<p>There is no unanticipated fiscal impact. A fiscal note is not required.</p>				
<b>Purchasing Language:</b>	Best evaluated two proposals of three proposals received.			
<b>Prior Council Action:</b>				
<b>For More Information:</b>	Dolores Castillo, Sr. Buyer/322-6466			
<b>Boards and Commission Action:</b>	Recommended by the Electric Utility Commission.			
<b>MBE / WBE:</b>	<p>This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program) with 7.45% MBE and 2.46% WBE subcontractor participation (Proposed by NAES Corp); 4.35% MBE and 0.0% WBE subcontractor participation (Proposed by Thielsch Engineering)</p>			

Related Items:



### Additional Backup Information

This contract will provide specialized maintenance and repair services on an as-needed basis for Austin Energy's electrical and thermal power generation facilities, including Sand Hill Energy Center, Decker Creek Power Station, Mueller Energy Center, the Domain Cooling Plant, the Paul Robbins District Cooling Plant (formerly District Cooling Plant No. 1) and District Cooling Plant No. 2. Multiple contractors are needed to assure timely response and expertise. As repairs are required to maintain the plants, the Contractors will be contacted to submit a work plan, schedule, and pricing for individual projects, and the Contractor offering the best value to the City will be awarded the work for each project. Services which could be provided under this contract include the replacement of high pressure steam line stop valves, replacement of piping, and the removal and replacement of stack expansion joints. The contractors will be responsible for furnishing the labor and supervision, equipment, tools, parts, and supplies that may be necessary to support maintenance work at the City's power plants.

An Austin Energy evaluation team with expertise in this area recommended award to each proposer to ensure that services will be available at all times. Evaluation criteria used to evaluate the proposals included costs, detail of job scopes, personnel qualifications, experience and proposer's capacity and equipment and facilities.

MBE/WBE solicited: 0/4

MBE/WBE bid: 0/0

#### PRICE ANALYSIS

- a. Adequate competition.
- b. One hundred and two notices were sent, including four WBEs. There are no known MBEs for this commodity code. Three proposals were received with no response from the WBEs.

#### APPROVAL JUSTIFICATION

- a. Best evaluated proposals received. Thielsch Engineering is one of three current suppliers of these services.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.